GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:264
ANSWERED ON:01.08.2002
SETTING UP OF RURAL ELECTRIFICATION TECHNOLOGY
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Will the Minister of POWER be pleased to state:

(a) whether the Government propose to set up a Rural ElectrificationTechnology Mission to strengthen the Rural Electrification process;

(b) if so, the details in this regard;

(c) whether the target of rural electrification by 2012 can be achieved by setting up the Technology Mission; and

(d) if so, the plans formulated for rural electrification during the current plan period?

Answer

THE MINISTER OF POWER (SHRI SURESH PRABHU)

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OSTARRED QUESTION NO. 264 TO BE ANSWERED IN TI LOK SABHA ON 01.08.2002 REGARDING SETTING UP OF RURAL ELECTRIFICATION TECHNOLOGY.

(a) to (c) : The suggestion for setting up a Rural Electrification TechnologyMission is under active and advance stage of consideration of Government of India. In the Chief Ministers` Conference held on 3rd March, 2001, theGovernment had resolved to complete village electrification by the end of the 10th Plan period i.e. by 2007 and full coverage of all households by end of 11th Plan period i.e. by 2012.

(d) : Following measures and initiatives have been undertaken by Government of India to ensure universal electrification and achieve the goals as indicated above. The initiatives taken are:-

1. Under the Pradhan Mantri Gramodaya Yojana (PMGY) funds have beenprovided for rural electrification as a basic minimum service. Accordinglyfor the first time under the PMGY a sum of Rs.412 crores was released in2001-02 to states. A provision of Rs.2747 crores has been made under PMGY which includes rural electrification with the flexibility given to thestates to fix interse allocation.

2. Under Minimum Needs Programme (MNP) the provision has beenenhanced from Rs.175 crores (2001-02) to Rs.600 crores (2002-03).

3. An interest subsidy scheme called − `Accelerated Rural ElectrificationProgramme` has been announced for which an outlay of Rs.164 crores has been provided in the current year.

4. The Rural Electrification Corporation, which has been given theresponsibility of financing rural electrification programmes on a continuous basis has been permitted to access the capital market to raise resources through Initial Public Offering (IPO).

5. Besides, REC has been permitted to issue Capital Gains Tax exemption Bonds under Section 54(EC) of the Income Tax Act 1961. During the last year REC has raised Rs.1397 crores and during 2002-03 (upto 31.07.2002) Rs.1350 crores approx.

6. Rural Infrastructure Development Fund (RIDF) has been suitably modifiedto allow States to access these funds for rural electrification programme. A provision of Rs.750 crores was made in 2001-02 for system improvement and mini & micro hydel schemes. A similar provision is expected during the current year.

7. A meeting was held with Power Ministers of 12 States wherein backlog ofvillage electrification exists, in order to impress upon them the need to accelerate rural electrification in a time bound manner. Accordingly, as per the resolution of the meeting the States were requested to draw an Action Plan to complete rural electrification within 5 years.

8. The States have also been requested to conduct a detailed census of all the villages, hamlets and dalit/tribal bastis to ensure that

each and every settlement is covered under rural electrification.

9. For rural electrification to be implemented in the right spirit and to ensure that the benefits actually reach the people, the definition of village electrification is under review.

10. States & institutions involved in rural electrification have also been asked to identify alternate means to raise resources to meet the targets of rural electrification by accessing programmes like Member of Parliament − LocalArea Development Programme (MPLAD) and Kutir Jyoti Programme and financing from REC.

Although various measures have been initiated by the Government of Indiato ensure universal coverage and ensure sufficient resources for the same, the progress so far has not been satisfactory. The primary responsibility of implementation of rural electrification lies with the State Governments. It is with their commitment and their active cooperation that the rural electrification programme could be made a success and enable the country to achieve the goal of `Power for all by 2012`.